December 31, 2025 | Currency - **USD**

# Mackenzie Private Equity Replication Strategy

## Investment philosophy

We believe private equity provides investors with a favorable risk/return profile and adds a layer of diversification to portfolios. Furthermore, through dedicated research and quantitative analysis, investors can leverage public markets to achieve similar returns to the U.S. private equity buyout universe.

## Strategy objective

Aims to create a liquid private equity-like exposure by seeking to replicate the long-term return characteristics of the diversified U.S. private equity universe.

## Approach

The strategy targets U.S. public companies with private equity-like characteristics, aiming to outperform the Russell 2500 Index. To replicate leveraged buyouts, it employs financial leverage, while managing volatility through a tail risk hedging approach. This combination seeks to deliver enhanced returns with controlled risk.

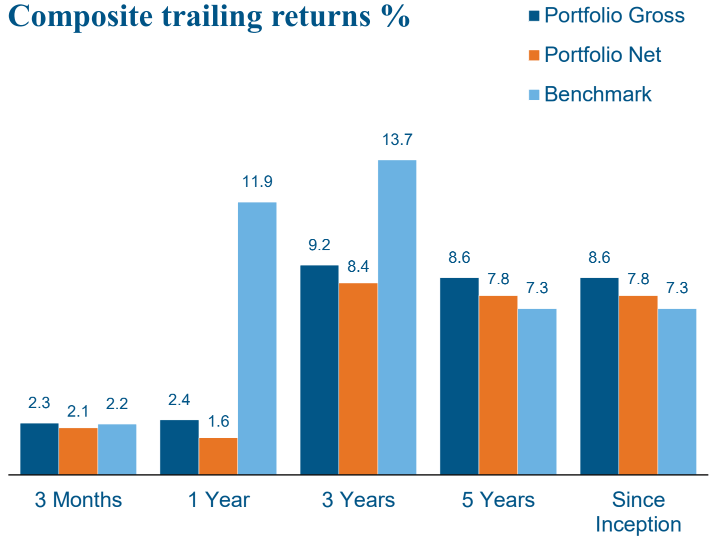
The Mackenzie Global Quantitative Equity Team, led by Arup Datta, will be responsible for stock selection and portfolio construction. The Mackenzie Multi-Asset Strategies Team, led by Nelson Arruda, will be responsible for a tail risk hedging strategy and volatility management. The strategy's portfolio construction process:

- **Investment Universe:** Evaluates companies within the Russell 2500 Index – a broad universe of publicly listed U.S. small & mid-cap securities.
- **Industry Allocation:** Leverages data provided by LSEG Data & Analytics (formerly Refinitiv), a global provider of financial data and infrastructure, to tilt to aggregate private equity industry exposures.
- **Stock Selection:** A quantitative model identifies the top 20% most attractive stocks within each industry based on a mix of valuation, quality, and growth factors. The strategy holds these stocks at market cap weight.
- **Leverage and Option Selection:** Applies leverage (currently 1.4x) via the use of S&P 500 futures and employ an S&P 500 listed options strategy aimed at managing volatility and mitigating the portfolio from large downside moves.
- **Portfolio Construction & Oversight:** Actively monitors the portfolio and rebalances on a quarterly basis. The Fund targets a 125% annual portfolio turnover rate (seeking to balance between precision in factor exposures and transaction costs).

## Key benefits of our approach

- Gain immediate and flexible access to private equity-like returns without tying up capital.
- Promote broader private investment participation by serving as a source for funding capital calls and improving liquidity management.
- Offers lower fees and reduced complexity compared to traditional private equity, through a fully liquid investment strategy managed by an experienced institutional asset manager.

## Composite trailing returns %




| RISK STATISTICS (3 YEAR) | |
|---|---|
| Tracking Error (%) | 8.23 |
| Information Ratio | -0.52 |
| Sharpe Ratio | 0.38 |
| **ASSET UNDER MANAGEMENT** | |
| Firm Assets* (B) | $178 |
| Team Assets (B) | $17.9 |
| Regional Assets (M) | $7,356 |
| Strategy Assets (M) | $252 |
| **STRATEGY OVERVIEW** | |
| Inception Date | January 1, 2021 |
| Target # of Holdings | 300-400 |
| Expected Turnover | 125% |
| Expected Active Share | 80% |
| Benchmark | Russell 2500 Index |

*Firm Assets represents all assets under management of Mackenzie Financial Corporation and other Mackenzie Investments affiliates globally including Mackenzie Investments Corporation.
The above information, which does not constitute formal investment guidelines/restrictions, is subject to change from time to time and over time. Past performance does not guarantee or indicate future results. The gross performance figures shown above do not reflect the deduction of investment advisory fees. The net performance figures shown above reflect the deduction of the highest investment advisory fee for the strategy. Full details of how performance is calculated, including with respect to other types of costs, fees and expenses, are shown on page 4. Fees are subject to modification and negotiation.
Source: Mackenzie

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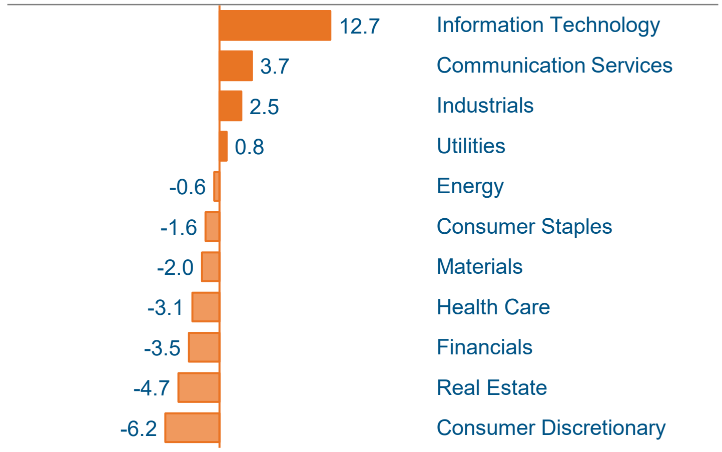
## Portfolio characteristics

| | PORTFOLIO | BENCHMARK |
|---|---|---|
| # of Holdings | 435 | 2456 |
| P/E (forecast) | 13.9 | 17.1 |
| P/Tangible Book | 2.2 | 2.4 |
| P/Cash Flow | 7.6 | 10.6 |
| P/Sales | 1.1 | 1.4 |
| Dividend Yield | 1.1 | 1.3 |
| Weighted Avg. Market Cap (US$B) | 8,162.9 | 9,333.9 |
| Median Market Cap (US$B) | 2,606.0 | 1,525.0 |
| Standard Dev (3Yr Trailing) | 12.1 | 18.1 |
| Beta (3Yr Trailing) | 0.6 | - |

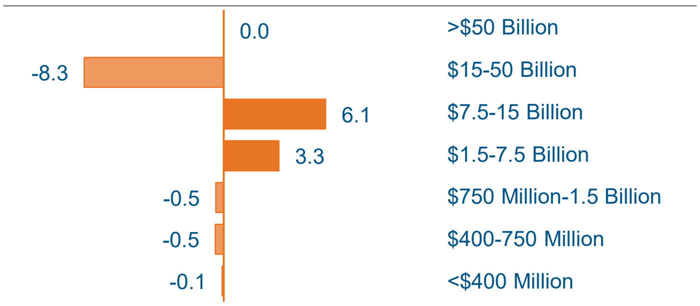
## Sector active weights (+/- 3.0% of benchmark)

RELATIVE WEIGHT (%) SECTOR




## Market cap breakdown

RELATIVE WEIGHT (%) CAP




The representative account information shown above is not indicative of any future results and is subject to change.
Quarterly information shown above is as of December 31, 2025

# Mackenzie Private Equity Replication Strategy

For the period January 1, 2021 to December 31, 2024

## Annual composite performance (in USD)

| Year[1] | Gross Composite Return (%) | Net Composite Return (%) | Benchmark Return (%) | Number of Portfolios | Internal Dispersion (%) | Composite 3 Yr Std Dev (%)[2] | Benchmark 3 Yr Std Dev (%)[2] | Composite Assets ($ mil) | Total Firm Assets ($ mil) |
|---|---|---|---|---|---|---|---|---|---|
| **2024** | 10.38 | 9.61 | 12.00 | ≤5 | N/A | 15.78 | 22.01 | 222 | 146,320 |
| **2023** | 15.06 | 14.26 | 17.42 | ≤5 | N/A | 15.39 | 20.43 | 177 | 146,121 |
| **2022** | -11.02 | -11.64 | -18.37 | ≤5 | N/A | N/A | N/A | 18 | 136,206 |
| **2021** | 30.57 | 29.66 | 18.18 | ≤5 | N/A | N/A | N/A | 16 | 164,223 |

[1] The three-year annualized standard deviation is not presented as of December 31, 2021 and December 31, 2022 because the composite does not have 36 monthly returns as of these dates.

## Annualized composite performance (in USD)

| | Gross Composite Return (%) | | | | Net Composite Return (%) | | | | Benchmark Return (%) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Year** | **1 Year** | **3 Year** | **5 Year** | **10 Year** | **1 Year** | **3 Year** | **5 Year** | **10 Year** | **1 Year** | **3 Year** | **5 Year** | **10 Year** |
| **2024** | 10.38 | 4.16 | N/A | N/A | 9.61 | 3.44 | N/A | N/A | 12.00 | 2.39 | N/A | N/A |
| **2023** | 15.06 | 10.16 | N/A | N/A | 14.26 | 9.39 | N/A | N/A | 17.42 | 4.24 | N/A | N/A |
| **2022** | -11.02 | N/A | N/A | N/A | -11.64 | N/A | N/A | N/A | -18.37 | N/A | N/A | N/A |
| **2021** | 30.57 | N/A | N/A | N/A | 29.66 | N/A | N/A | N/A | 18.18 | N/A | N/A | N/A |

# Mackenzie Private Equity Replication Strategy

### Firm Overview

Mackenzie Financial Corporation, Mackenzie Investments Corporation, Mackenzie Investments Europe Limited and Mackenzie Invest ments Asia Limited (collectively "Mackenzie Investments") provide investment management and related services through multiple distribution channels. Assets under management as at December 31, 2024 were $146.3 Billion. We provide our investment management through mutual funds, pooled funds, segregated accounts, and separate accounts for retail and institutional investors. Mackenzie Investments is dedicated to generating consistent long-term investment returns for its clients. The Firm is a member of the IGM Financial Inc. (TSX:IGM) group of companies.

On December 22, 2020, Greenchip Financial Corp. became part of Mackenzie Investments. On December 31, 2020 GLC Asset Management Group Ltd. became part of Mackenzie Investments.

### Compliance Statement

Mackenzie Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Mackenzie Investments has been independently verified for the periods January 1, 2008 through December 31, 2021. The verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

### Composite Description

The Mackenzie Private Equity Replication Strategy seeks to provide long-term capital appreciation and outperform its benchmark. The strategy utilizes a bottom-up stock selection investment process, based on a quantitative alpha model, to the US market across small and mid-cap stocks. The strategy seeks to replicate the performance and risk characteristics of the average US buyout private equity fund through the use of publicly traded securities. In addition to the stock selection model, the strategy applies leverage using index futures and aims to reduce downside volatility during equity bear markets through the use of equity options. Prior to February 28, 2025, the composite was known as the Private Equity Replication composite. The composite inception and creation date is January 1, 2021.

### Benchmark Description

The benchmark is the Russell 2500 Total Return Index. The Russell 2500 Index measures the performance of the small/midcap segment of the US equity universe and is a subset of the Russell 3000 Index. It includes approximately 2,500 of the smallest securities based on a combination of their market capitalization and current index membership.

### Reporting Currency

Valuations and composite performance are reported in U.S. dollars. The composite includes Canadian dollar portfolios that have been converted to U.S. dollars.

### Internal Dispersion

Internal dispersion is calculated using the asset-weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year. Internal dispersion is only calculated for those composites which have at least 6 accounts for the full year.

### Ex-Post Standard Deviation

The 3-year annualized standard deviation measures the variability of the gross composite and benchmark returns over the preceding 36-month period.

### Fees

The maximum fee for the strategy is 0.70% per annum.

### List of Composites and Pooled Funds

A list including composite descriptions, pooled fund descriptions for limited distribution pooled funds, and broad distribution funds is available upon request. See "Contact Information" below.

### Performance Calculations

Gross of fee returns are calculated before management, operating and other fees but after all trading expenses and withholding taxes. For Canadian Exchange Traded Funds, gross of fee performance is calculated by geometrically adding the pro-rated monthly percentage of the total net Management fee expense ratio to the monthly net return. This methodology applied to both Canadian Exchange Traded Funds and Mutual Fund accounts prior to April 1, 2023. Gross composite performance is calculated by asset weighting the individual account returns using beginning of period market values. Net composite performance is calculated using a model fee and reflects the deduction of the maximum fee which may include Investment management and administration fees. Net of fee performance is intended to illustrate the impact of fees on performance of the composite. Actual investment advisory fees incurred by clients are typically negotiated on an individual basis and may vary depending upon, among other things, the applicable fee schedule and portfolio size.

# Mackenzie Private Equity Replication Strategy

## Valuation principles

Investments listed on a public securities exchange or traded on an over-the-counter market are valued at the closing price. Where no closing price is available, the last sale or close price is used. Unlisted or non-exchange traded investments, or investments where the last price is unavailable or investments for which market quotations are, in Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

Additional information regarding policies for valuing portfolios, calculating performance, and preparing GIPS® reports are available to prospective clients upon request. See “Contact Information” below.

## Trademark

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## Contact information

For additional information, please contact Matt Thomson at matt.thomson@mackenzieinvestments.com.